

Handwritten initials



Lead Industries Association, Inc.

292 Madison Avenue • New York, N. Y. 10017 • Telephone: (212) 532-2373

Environmental Health Department

DATE: July 14, 1978
TO: All Members of Lead Industries Association, Inc.
FROM: Jerome F. Cole

Gentlemen:

In several previous letters to the membership of the Lead Industries Association, we have stressed the value of communications in developing a broader understanding among the public and thought leaders of the problems the industry faces from proposed environmental and occupational regulations.

An excellent example of such communications efforts is that of St. Joe Minerals Corporation. We are enclosing a few examples of the newspaper articles and television interviews generated by this program. Many other articles were published in Missouri newspapers and a large number of television interviews were aired.

We thought these examples might be helpful to you in formulating your own communications plans.

Sincerely,

Jerome F. Cole, Sc.D.
Director, Environmental Health

as

Enc.

LIA03513

N 3735



Globe Business & Financial

Thursday, June 8, 1978 Page 11C

EPA proposal called threat to lead industry

By DAVID M. GREILER
Cable-Democrat Business Writer

At least 2,700 jobs in Missouri may be lost if the Environmental Protection Agency's proposed Lead Ambient Air Quality Standard goes into effect as expected later this summer.

"If the EPA adopts the lead standard they have proposed, we will not survive, the industry will go belly-up," according to John A. Wright, president of St. Louis-based St. Joe Lead Co., the nation's largest producer.

Seven years after federal legislation gave the EPA the authority to set ambient air standards for lead and other pollutants, and after environmentalists had the agency to court, the EPA last December proposed limiting the amount of lead in the air to no more than 1.5 micrograms of lead per cubic meter of air.

AN EPA OFFICIAL WAS estimated that it would cost industry — copper and lead smelters primarily — \$800 million

to reduce emissions of lead in the air sufficiently to meet the proposed standard.

"Our argument against the standard is not simply one of economics," Wright said at a press conference here Wednesday. "St. Joe is in the middle of a program in which we have spent \$19 million to improve our workplace environment, and plan to spend \$28 million more in the next five years."

"The problem is that the EPA proposal is technologically infeasible at any price," he said. "The engineering controls simply do not exist to do the job EPA asks."

A CUBIC METER OF AIR weighs about 1.3 billion micrograms, which goes to two tenths of one inch in the total distance between New York and San Francisco," Wright explained. "It is also like dividing a soup bean to feed 300,000 people."

The EPA usually proposed a 5 microgram per cubic meter limit.

"When asked for comment, the industry responded that we were not sure we could meet this level, but that massive installations of engineering controls would approach compliance with a 5 microgram standard," Wright said.

UTILIZING THE BEST available technology to attempt compliance with a 5 microgram standard at St. Joe's plant at Herculaneum, Mo., would require additional fuel and electricity sufficient to heat and light 15,000 homes annually, Wright said. The price of such attempted compliance at Herculaneum alone would be \$55 million in one-time capital costs, and additional annual operating expenses of \$13 million.

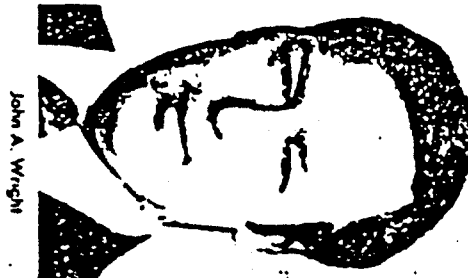
The EPA standard calls for a limit of 1.5 micrograms of lead per cubic meter of air measured at the plant boundary, "but the standard does not recognize background levels, even though levels above 1 microgram are common in non-lead producing areas of the country," Wright said. "We have air with 0.8 micrograms of lead coming into the plant."

While admitting that it is difficult to argue economics in an issue where the health and well-being of the public may be at stake, Wright charged that "EPA's proposed action against the U.S. lead industry seems 'exceptionally harsh when we consider that the lead mining, smelting and refining industry is thought to be responsible for less than 1 per cent of the lead in the air."

THE UNITED STATES CONSUMES about 1.6 million tons of lead each year. While 725,000 tons are generated from recycling batteries, 600,000 tons are produced from ore by primary smelters. Missouri has three such smelters — St. Joe at Herculaneum, ASARCO at Clowser, and AMAX at Buick.

Of the 580,150 tons of lead mined in the U.S. last year, 85 per cent came from mines in the Viburnum Trend in the Southeastern part of the state. The industry employs over 2,100 in Missouri on a payroll of \$41 million annually.

"The problem is that the EPA proposal is technologically infeasible at any price. The engineering controls simply do not exist to do the job EPA asks."



John A. Wright

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Lead Rules May Close St. Joe Co.

By YVONNE SAMUEL
Of the Post-Dispatch Staff

Federal environmental regulations may force the St. Joe Lead Co. out of business, says its president, John A. Wright.

"I think the regulations are unreasonably harsh and unjustified," Wright said of what he called proposed standards of the Environmental Protection Agency and the Occupational Safety and Health Administration. He spoke to about 25 St. Joe employees Wednesday at the Clayton Hotel. St. Joe's headquarters are in Clayton. It has mining operations in Viburnum in Iron County and a smelting plant in Herculanum in Jefferson County.

"There is not a smelter or secondary plant around that could meet these standards, which means that not only will our company be out of business, but all lead companies will be forced to go out of business," Wright said.

The EPA air quality standard in question would permit only 1.5 micrograms of per cubic meter of lead in the air, measured over a 30-day period at plant boundaries.

If the standard is adopted, 1,706 St. Joe employees in Missouri will be out of jobs, said Alvan H. Sage, manager of market research for the company.

Overall, some 3,100 similar jobs would be lost throughout the state and 9,300 nationwide, he said.

Sage said an additional 5,000 Missouri jobs would be lost indirectly and some consumer products would encounter sharp price rises.

The EPA staff attorney in Kansas City, Mo., Henry Rompage said the standards were still being drafted and had

See LEAD, Page 11

St. Louis Post Dispatch, June 8, 1978

Lead

FROM PAGE ONE

not yet been formally proposed.

"Because the standard hasn't been proposed and it doesn't appear in the federal register, I can't comment on whether or not St. Joe will go out of business," he said.

Sage contended that the regulation has been issued as a proposed standard by the EPA and said that for six months there had been formal hearings and testimonies on the issue.

"There is every indication that the standard will stand as proposed and will be adopted," Sage said.

The company favors a standard recommended by the Lead Industry Association calling for a maximum level of 5.0 micrograms per cubic meter averaged over 90 days.

"We can stay in business if we were asked to meet this standard," Wright said.

Wright said the EPA standard is

"technologically infeasible because EPA assumes that all the lead measured at the plant boundary emanates from the plant."

OSHA has proposed lowering the common workplace maximum exposure standard from 200 to 100 micrograms per cubic meter. "To comply with this, the primary lead producers are anticipating capital expenditures exceeding \$50 million and increase in operating expenses on the order of \$15 million per year," Wright said.

"While our plant in Herculanum, Mo., would not likely be closed by the proposed regulation, it would have to absorb an estimated \$3 million in increased annual costs.

"If the proposed EPA and OSHA regulations are adopted, the future of the lead industry in the United States will be at stake."

LIA03515

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JEFFERSON COUNTY, MISSOURI, THURSDAY, JUNE 8, 1978

DAILY 15 CENTS

Proposed standards would close Herky plant

EPA rules threaten St. Joe's future

By Eric M. Linderer

Herculeum's primary lead smelting plant, the world's largest, may be forced to close down by 1981 if federal air standards are not relaxed.

That was the grim conclusion reached by John A. Wright, president of St. Joe Lead Company. Wright said the lead company would not be able to comply with the current lead ambient air quality standard established by the Environmental Protection Agency (EPA).

"We will not survive—the industry will go belly up," he declared at a Clayton press conference Wednesday. EPA's proposed air standard sets a ceiling of 1.5 micrograms of lead per cubic meter of air, figured on a 30-day average. St. Joe officials say that requirement is "infeasible" and "unnecessary." They argue that a standard of 5.0 micrograms is recognized as protecting human well-being as effectively as the EPA proposal.

"As far as we can see it, if the 1.5 standard stands, the lead smelting plants will go out of business," said Gary E. Welch, Director of Corporate Environmental Planning for St. Joe. "We really don't think the Herculeum plant can be brought into compliance."

EPA is expected to issue a final ambient air quality standard this summer. St. Joe would then be required to develop plans for EPA approval, demonstrating how they would attain the lead standard by 1982 and maintain it thereafter.

While St. Joe officials contend they can meet the 1.5 standard, they say a standard of 5.0 micrograms per cubic meter figured on a 30-day average

could probably be met. St. Joe president Wright claims it would take \$56 million to meet even a 5.0 standard and \$12 million per year in additional operating costs.

According to the Lead Industries Association (LIA), retention of the 1.5 standard would mean a loss of 9,300 jobs nationwide, at least 2,700 of these in Missouri. (The Herculeum plant employs some 650 people.) An additional 5,000 Missouri jobs could be lost indirectly, and some consumer products would encounter sharp price increases.

The LIA says the economic impact of the \$47 million loss in payrolls would be most severe in Crawford, Dent, Iron, Jefferson, Madison, Reynolds, St. Francois, St. Louis and Washington counties.

EPA became involved with establishing a standard for airborne lead in 1973, following a suit brought against it by the Natural Resources Defense Council and others. A U.S. district court in New York directed the EPA to develop such a standard. As EPA report, dated last December, acknowledged the possibility of industrial difficulties in complying with the 1.5 standard it said:

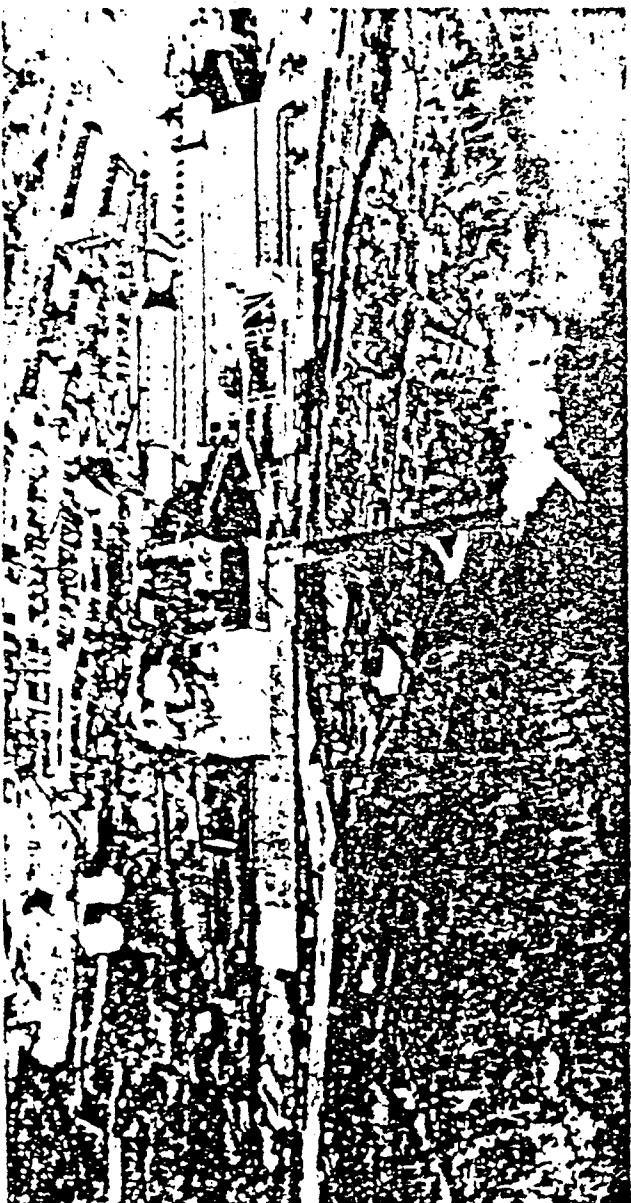
"From the information available to the Agency, it does appear that non-ferrous smelters may have difficulty in achieving the proposed standard in areas immediately adjacent to the smelter complex. While the possible impact of the standard on these facilities is of great concern to EPA, these impacts have not entered into determination of the level of the standard."

Charles W. Whitmore, EPA state coordinator in Kansas City, said the standard was not directed specifically at the lead smelters or the term "emission limitation" would have been used.

According to EPA statistics, 90% of lead emissions result from gasoline combustion, 5% from the combustion of crankcase oil, and coal and

another 5% from industry. St. Joe officials say they are responsible for only 15% of all lead emitted into the air.

Seven lead smelting operations in the U.S. are affected by the EPA standard. The U.S. presently supplies 1 of its own lead needs.



ST. JOE MINERALS—An aerial view of the plant at Herculeum.

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Today's editorials

STREETS AND SHIPS

Ann Street improvements have been in Festus seem to have been pending for a long time.

The delays have been so numerous it feels like the work began sometime just after the sinking of the Titanic.

Draw your own connections.

QUOTES OF THE WEEK

The Illinois legislature narrowly defeated approval of the Equal Rights Amendment.

Two crucial votes ended as abstentions, with the legislators not voting for or against.

Rep. Edmund Kornowicz of Chicago was asked why he abstained:

"As for as I'm concerned, I was for it. I wanted to vote. But the abstention was just one of those things" said Rep. Kornowicz.

Did "the force" stop him?

The other interesting quote comes from Wellston where the city has bought a \$16,000 Cadillac Fleetwood for the use of the mayor.

The mayor said the car "helps improve the image of the city."

It is a wild world.

REASONABLE

Obviously this area has much at stake in the continued success and operation of the St. Joe Minerals plant at Hercules.

It would follow that efforts of the Environmental Protection Agency to jam air standards down St. Joe's smokestack would not gain much favor here.

They don't.

It is unfair for the BPA to arbitrarily set air quality standards, without also setting out some very specific answers.

How much does EPA think the meeting of their standards will cost the company? Specifically, how would EPA demonstrate to the company that standards can be met without spending such huge sums of the money that compliance is impractical anyway?

And what of the economic impact if a plant cannot either find a physical or practical economic way to comply, and must close.

How does EPA calculate the loss of jobs and damage to economy, vs. the result of meeting a clean air standard?

EPA coldly says, matter of factly, that some smelters won't meet the standard, but that wasn't taken in account when determining levels.

That is a ridiculous attitude.

Common sense must have a place in EPA considerations. They should be asking themselves what standards industry can meet, still operate in a profitable manner, yet improve air standards.

The bureaucracy must adapt a level of common sense in crucial matters like these.

The alternative is just too frightening.

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VOLUME SEVENTEEN

HILLSBORO, MISSOURI— WEDNESDAY, JUNE 14, 1978

ISSUE NUMBER 28

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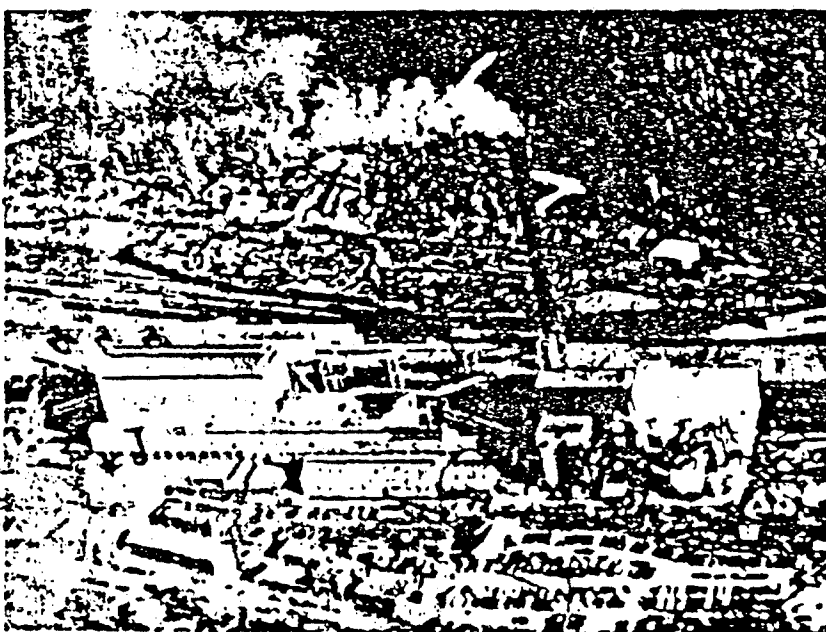
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ST. JOE MINERALS—An aerial view of the plant at Herculeaneum.

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standard. The U.S. presently supplies 85% of its own lead needs.

LIA03518

N 3735.05

BROADCAST INFORMATION SERVICES, INC. 25 East Frisco Ave. St. Louis, Mo. 63119 314/961-4113

news
retrieval
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Date: 6/7/78
Client: St. Joe Lead Company
Station: KSD-TV

time	verbatim transcript
6:00 p.m.	PATRICK EMORY: Missouri may suffer a severe economic setback if a new federal air pollution rule is put into effect. The head of the St. Joe Lead Company told a luncheon meeting in St. Louis today that the lead industry just cannot meet the new 1.5 microgram standard from an economic standpoint. Later he told Chris Condon how the Environmental Protection Agency came out with the new proposal. JOHN WRIGHT: "...pressure from some environmentalist groups who want clean air period (to come out with the standard). They have not looked at the economic impact at what this does for this state of Missouri or for the country or anything else." CHRIS CONDON: "How many jobs would it mean in this area?" JOHN WRIGHT: "Right now there's about thirty-one hundred people employed in the lead mining and smelting business in Missouri. If the regulation came down, I think three-quarters of those would probably lose their jobs over a three to four year period." CHRIS CONDON: "What communities are these in?" JOHN WRIGHT: "The smelters are in Herculaneum, Missouri, just south of St. Louis. The other two smelters are in the southeastern part of the state in (Buick) and (Glover) and there's about eight operating mines in the same area. So these are the areas which are Jefferson County, Washington County, Crawford County, these areas would be the ones hurt the most."

LIA03519

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news
retrieval
network

Date: 6/7/78
Client: St. Joe Lead Company
Station: KSD-TV page 2

time	verbatim transcript
6:00 p.m. continued	PATRICK EMORY: Last December, you may recall, about a thousand Missourians lost their jobs when an iron ore plant closed down near Steelville.

LIA03520